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A New Association Policy?

The conference which the nine member states of the European Community and 43 associated and associable third world countries held in Brussels at the end of July made at least the position of the developing countries clear. The EC on its side, though still unable to reach a common concept, has been showing understanding for the plea of the developing countries that the future relations between Europe and the associated and associable developing countries must have nothing to do with neocolonialism.

The Brussels conference was the first occasion ever when representatives of almost all the former colonial dependencies of European powers, especially in Africa, sat down together with their exmasters. Some of the developing countries represented in Brussels were already associated with the EC under the Yaunda II and Arusha Conventions or have, in conformity with the accession protocols, been offered EC associate status or ordinary trade agreements as members of the Commonwealth. They have still bad memories of another Africa conference which forms part of their common history: on February 28, 1885, 13 European states met in Berlin to negotiate the demarcation of their spheres of interest in the African lands south of the Sahara. This time the Africans were themselves at the negotiating table, presenting a number of demands whilst holding out against concessions in return.

They want the Community to aid them in diversifying their economies, grant them free access to its agricultural market, help to stabilise the proceeds from their exports by guaranteeing prices which cover their costs, and assist in improving their economic and social structures. Besides, there are to be larger European financial grants in aid, and the developing countries want to play a greater part in the decision-making process regarding the European development aid fund. The developing countries however refuse to make a return in the form of reciprocal preferences, as demanded by France and prescribed by a narrow interpretation of Article XXIV of the GATT Statutes, for having the European markets opened to their products.

Concrete negotiations on restructuring the economic relations between the Community and its members' former colonies will start in October and last about a year. It is however already clear today that the forms of association observed hitherto will have to be modified if new agreements are to be reached. The EC should therefore use the time left until October to evolve a new concept of development policy in regard to the associated and associable states.

A first step in this direction are the ideas advanced by the Commission for a shift in the priorities of the association policy. They are not dissimilar to the demands of the African developing countries. In addition however the EC should nerve itself to grant preferences to all developing countries and not just the associated ones. For the enlargement of the preference area by the inclusion in it of the Commonwealth countries will in any case whittle away the slight competitive edge over third countries in the case of the more differentiated goods. By pursuing such a policy the Community would also do something to refute the charges of discrimination from third countries, allow for the general tariff cuts which may be expected to follow the GATT Round and fulfill the obligation to extend its system of generalised preferences which it undertook in October, 1972.

The extension and improvement of general tariff preferences should particularly be tuned to sensitive and semi-sensitive goods and agricultural processed products. Apart from the elimination of tariff barriers vis-à-vis the developing countries and the gradual increase of duty-free quotas the quantitative limitations mainly regarding "sensitive goods" should be reduced.

It would be even better if the Community resolved for the future upon a development aid policy making technical assistance and capital aid also available to the non-associated countries of the Third World. Needless to say, this should not be at the expense of the help for associated and other developing countries which are seeking a special relationship with the EC but form an additional aid element. This new conception of EC policy towards associated and third countries, which is being advocated by the Federal Republic of Germany, deserves to gain wider acceptance in the Community.

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